GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:176
ANSWERED ON:12.12.2003
EVASION OF SERVICE TAX BY CABLE OPEATORS
BHASKAR RAO PATIL;UTTAMRAO DEORAO PATIL

Will the Minister of FINANCE be pleased to state:

(a) Whether the Union Government are aware that the cable operators in the country are evadingservice tax to the tune of crore of rupees annually;

(b) if so, the facts and details thereof;

(c) whether as per recent survey conducted by the Central Board of Excise and Customs it has beenfound that cable operators in Delhi are paying meagre tax against an estimated Rs.6 Crore payable annually; and

(d) if so, the action Government propose to take against such operators who are evading service tax?

Answer

MINISTER OF FINANCE (SHRI JASWANT SINGH)

(a) to (d) : A statement is placed on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a),(b),(c) & (d) OF LOK SABHA STARRED QUESTION NO.176 FOR DECEMBER,2003 BY SHRI UTTAMARAO PATIL AND SHRI BHASKARRAO PATIL, REGARDING EVASION OF SERVIC BY CABLE OPERATOR.

(a) to (d) : Cable operator service has been identified as one of the tax evasion prone services. Field formations have been alerted to take necessary action. Surveys were also conducted during the year by jurisdictional staff to identify unregistered cable operators. As a result of various efforts, the number of Cable operators registered have gone up from 16,458 as on 3103.2003 to 26410 as on 30.09.2003. The amount of Service Tax collected from Cable Operators during 2002-03 was Rs.8.48 crores and during thefirst six months of current financial year (2003-2004) it was increased to Rs.22.14 crores.

Action is being taken as per law to recover the service tax due, along with interest and penalty, in case of evasion detected against any service providers.